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## THE BACKWARD ART OF SPENDING MONEY

In the scheme of modern life, making money and spending money are strictly correlative arts. Of the two, spending is rated as both pleasanter and easier to practice. Certainly for most of us it is not less important. A few, indeed, make so much money that they can slight the art of spending without suffering discomfort, but the vast majority would gain as much from wiser spending as from increased earning.

Important as the art of spending is, we have developed less skill in its practice than in the practice of making money. Common sense forbids us to waste dollars earned by irksome efforts; and yet we are notoriously extravagant. Ignorance of qualities, uncertainty of taste, lack of accounting, carelessness about prices—faults which would ruin a merchant—prevail in our housekeeping. Many of us scarcely know what becomes of our money; though well-schooled citizens of a Money Economy ought to plan for their outgoes no less carefully than for their incomes.

For this defect in our way of living we are often taken to task, not only by thrifty souls who feel that waste is sin, but also of late by men of large affairs who wish that we might ask less insistently for higher wages and save more money to invest in their securities. No doubt there is sufficient reason for faultfinding, and no doubt much of the free advice given on mending our ways is sound. Conscience admits the first, common sense the second. But in our haste to plead guilty we forget certain mitigating circumstances which might go far toward recommending us to the mercy of an impartial court. To spend money is easy, to spend it well is hard. Our faults as spenders are not wholly due to wantonness, but largely to broad conditions over which as individuals we have slight control.

Under the less complicated economic organization of barter and the nascent use of money, the family was the unit in large measure for purposes both of producing and consuming goods. By the time of American colonization, English society had grown out of such simple conditions. But the earlier colonists were forced by their isolation to revert to practices which the mother country had long since abandoned. The family became again a unit of producers, caring for each other's wants. Food-stuffs

and other raw materials were produced by the men, assisted by the women and children; these materials were prepared for family use by the women, assisted by the children and men. While this form of organization was transient in any one district, it kept re-appearing upon the frontier, so that for generations production was based in part upon the family as a unit.

Denser settlement would have sufficed by itself to enable Americans to develop division of labor and regular markets corresponding to those of seventeenth and eighteenth-century England. But in addition there came the industrial revolution and the railway. These factors in combination gradually deprived the family of its old importance as a unit for producing goods. For the factory made, the railway brought, the shop kept a great variety of articles which the family once provided for itself. Production was re-organized on the basis of a new unit—the business enterprise—in which the members of many families were employed. And the new unit proved vastly more efficient than the old. It made possible more elaborate specialization of labor and machinery, more perfect coördination of effort and greater reduction of waste than could be attained by the family. There resulted a gigantic increase in the volume of goods produced and in the aggregate incomes earned.

Meanwhile as a unit for consuming goods, for spending money, the family has remained substantially where it was in colonial days. Division of labor in spending has not progressed beyond a rudimentary division between the adult men and women of the family—the women bearing the heavier burden of responsibility. Housework has been lightened by the growth of industry; but housewives still face essentially the same problems of ways and means as did their colonial grandmothers. No trade has made less progress than this, the most important of all trades.

It is because we have not wanted to that we have not developed a larger and more efficient unit for spending money than the family. Our race-old instincts of love between the sexes and parental affection, long since standardized in the institution of monogamy, are a part of experience at once so precious and so respectable that we have looked askance at every relaxation of the family bond, whatever material advantages it has promised. While we have become increasingly dependent upon other men for the goods we buy and for the sale of our services, we have

jealously insisted upon maintaining the privacy of family life, its freedom from outside control, so far as our circumstances have permitted. Reluctantly we have let the factory whistle, the time-table, the office hours impose their rigid routine upon our money-making days; but our homes we have tried to guard from intrusion by the world of machinery and business. There are strains in our stock, to be sure, which can adapt themselves more readily to the lock-step of life organized by others; such people fill our family hotels. But most of us still prefer a larger measure of privacy, even though we pay in poor cooking. So long as we cling fondly to home life, so long will the family remain the most important unit for spending money. And so long as the family remains the most important unit for spending money, so long will the art of spending lag behind the art of making money.

The dominance of women in spending, which the family form of organization establishes, may explain the backwardness of the art in some measure. An effective contrast might be drawn between the slipshod shopping of many housewives and the skilful, systematic buying done for business enterprises by men. But the fair comparison is between the housewife's shopping for the family, and her husband's shopping for strictly personal wants. Current opinion certainly represents women as more painstaking than men in making selections, and more zealous in hunting for bargains. Doubtless if men had to do the work they would do it otherwise in some ways, and doubtless they would think their ways better. But if men had to spend money under the limitations now imposed upon women by family life, they would certainly find the task exceedingly difficult. It is the character of the work more than the character of the women which is responsible for poor results. Indeed, the defects of the workers are partly effects of the work. The lack of system, which reduces the efficiency of so many housewives, comes in a measure from the character of their daily tasks, like the pedantry which makes so many teachers uninspiring.

The housewife's tasks are much more varied than the tasks which business organization assigns to most men. She must buy milk and shoes, furniture and meat, magazines and fuel, hats and underwear, bedding and disinfectants, medical services and toys, rugs and candy. Surely no one can be expected to possess expert knowledge of the qualities and prices of such varied wares. The

ease with which defects of materials or workmanship can be concealed in finishing many of these articles forces the purchaser often to judge quality by price, or to depend upon the interested assurances of advertisers and shopkeepers. The small scale on which many purchases are made precludes the opportunity of testing before buying, and many articles must be bought hurriedly wherever they are found at whatever price is asked. If this work could be taken over for many families and conducted by a business enterprise it would be subdivided into several departments, and each department would have its own minute division of labor. Then there would be the commissariat with its trained corps of purchasing agents and chemists, each giving his whole working day to the buying or testing of meats, or vegetables, or groceries. Then there would be the departments of building and grounds, of furnishing, of fuel and lighting, of the laundry, of clothing, of the nursery and the like—all bringing specialized knowledge to the solution of their problems, all having time and opportunity to test qualities and find the lowest prices. The single family can no more secure the advantage of such division of labor in caring for its wants as consumers than the frontier family could develop division of labor in production.

Nor can the family utilize labor-saving machinery to reduce the cost of living more effectively than can the very small shop utilize it to reduce the cost of production. The economical use of machinery requires that the work to be done be minutely subdivided and that each successive operation be standardized. The family unit is so small, the tasks are so various, and the house-work is so scattered from cellar to attic as to make machinery more troublesome than useful. Even if a housewife were supplied with an elaborate mechanical equipment, and if she knew how to operate each machine and keep it in order, she could make but brief use of each device as she turned from one of her endless tasks to the next. A machine which is to stand idle ninety-nine hours in a hundred must possess extraordinary advantages, or cost but a trifle to warrant its being installed even in a factory. Hence the equipment which can be employed economically in the household falls into the class of inexpensive utensils and hand tools; even in this age of steam and electricity, a family must be cared for by hand.

Again, the general managers of households, unlike the general

managers of business enterprises, are seldom selected upon the basis of efficiency. Indeed there are grounds for believing that in this country less attention is paid than formerly to housewifely capacity in choosing wives. The young farmer going west to take up land knew that his success would depend largely upon the efficiency of his helpmate. Perhaps his grandson exercises as much worldly wisdom in choosing a wife, but he thinks more of how much an available *parti* can add to his income than of the skill with which she can manage what he earns.

However chosen, the young wife seldom approaches her house-work in a professional spirit. She holds her highest duty that of being a good wife and a good mother. Doubtless to be a good manager is part of this duty; but the human part of her relationship to husband and children ranks higher than the business part. In a sense the like holds true for the man; but in his case the role of husband and father is separated more sharply from the role of money-maker. The one role is played at home, the other role in the fields, the shop, or the office. This separation helps the man to practice in his own activities a certain division of labor conducive to efficiency in money-making. He can give undivided attention during his working hours to his work. But the woman must do most of her work at home, amidst the countless interruptions of the household, with its endless calls from children and friends. She cannot divide her duties as a human being so sharply from her duties as a worker. Consequently, her housekeeping does not assume objective independence in her thinking, as an occupation in which she must become proficient. Household management, under the conditions of family life, is not sufficiently differentiated from other parts of the housewife's life to be prosecuted with the keen technical interest which men develop in their trades.

Upon the household manager, capable or not as she may be, family life commonly throws an exhausting routine of manual labor. In large business enterprises matters are managed better. The man who makes decisions, who initiates policies, who must exercise sound judgment, does no work with his hands beyond signing his name. He is relieved of all trivial duties, protected from all unnecessary intrusions. One of the handicaps of the small enterprise is that its manager must also keep the books, write the letters, or work in the shop—must disperse his energy over many

tasks. In the great majority of homes the housewife labors under a like handicap. If she has no servant, then cooking and sweeping, mending and shopping, tending the children and amusing her husband leave her little leisure and less energy for the work of management proper. Tired people stick in ruts. A household drudge can hardly be a good household manager. Even with one or two servants to assist them, many wives work longer hours than their husbands, and work under conditions which are more nervously exhausting. The number of housewives who have leisure to develop the art of spending money wisely must be a very small percentage.

Though so many conditions of family life conspire to make hard the housewife's task, a surprising number of women achieve individual successes. If housekeeping were organized like business, these efficient managers would rapidly extend the scope of their authority, and presently be directing the work of many others. Then the less capable housewives, like the mass of their husbands, would be employed by these organizing geniuses at tasks which they could perform with credit to themselves and profit to the community. By this system we get the full use of our best brains in making money. But the limitations of family life effectually debar us from making full use of our best domestic brains. The trained intelligence and the conquering capacity of the highly efficient housewife cannot be applied to the congenial task of setting to rights the disordered households of her inefficient neighbors. These neighbors, and even the husbands of these neighbors, are prone to regard critical commentaries upon their slack methods, however pertinent and constructive in character, as meddlesome interferences. And the woman with a consuming passion for good management cannot compel her less progressive sisters to adopt her system against their wills, as an enterprising advertiser may whip his reluctant rivals into line. For the masterful housewife cannot win away the husbands of slack managers as the masterful merchant can win away the customers of the less able. What ability in spending money is developed among scattered individuals, we dam up within the walls of the single household.

There are, however, reasons for the backwardness of the art of spending money other than the organization of expenditure on

the basis of the family. Grave technical difficulties inhere in the work itself, difficulties not to be wholly removed by any change of organization.

The rapid progress made and making in the arts of production rests upon progress in scientific knowledge. All the many branches of mechanics and engineering, are branches of the tree of knowledge, nourished by the roots of research. Among the various sciences the most important for industry are physics and chemistry. It is by applying in practice the physical and chemical laws learned in the laboratory that recent generations have been able to develop not only their complicated machinery, but also their effective processes of modifying materials. Now physics and chemistry happen to be the sciences which deal with the subject matter which is simplest, most uniform, and most amenable to experimental control. They are therefore the sciences of which our knowledge is most full, most precise, and most reliable.

In similar fashion, progress in the arts of consumption rests upon progress in science—or rather waits upon progress in science. To secure the better development of our children's bodies we need a better knowledge of food values and digestive processes, just as we need better knowledge of electricity to reduce the waste of energy on long transmission lines. To secure the better development of children's minds we need better knowledge of the order in which their various interests awake, just as we need better knowledge of physical-chemistry to control the noxious fumes of smelting plants.

But, unfortunately for the art of spending money, the sciences of fundamental importance are not physics and chemistry, but physiology and functional psychology. While the latter may be ultimately capable of reduction to a physico-chemical basis, they certainly deal with subject-matters which are far less simple, less uniform, and less amenable to experimental control than physics or chemistry proper. Hence they are in a relatively rudimentary condition. As now written they are easier for the layman to read, they present fewer superficial difficulties; but that is precisely because their real difficulties have not been mastered and elucidated.

Accordingly, even the housewife who is abreast of her time labors under a serious disadvantage in comparison with the manufacturer. The latter can learn from an industrial chemist and a

mechanical engineer far more about the materials he uses, the processes at his disposal, the machinery best adapted to his purpose than the housewife could learn from all the living physiologists and psychologists about the scientific laws of bodily and mental development. No doubt the sciences which will one day afford a secure basis of knowledge for bringing up a family are progressing; but it seems probable that they will long lag behind the sciences which serve the same office for industry. Hence the housewife's work presents more unsolved problems, is more a matter of guesswork, and cannot in the nature of things be done as well as the work of making and carrying goods. Until such time as science shall illuminate the housewife's path, she must walk in the twilight of traditional opinion.

If the art of making money has advantages over the art of spending on the side of scientific technique, it has equal advantages on the side of business method. Money making is systematized by accounting in which all the diverse elements in a complicated series of bargains are adequately expressed in terms of one common denominator—the dollar. Thus a business man is enabled to compare the advantage of granting long credits with the advantage of selling on closer margins for cash; he can estimate whether it would be cheaper to buy a higher grade of coal or to let his fire boxes burn out rapidly; he can set off the cost of additional advertising against the cost of more traveling salesmen. And since profits are also expressed in dollars, the business man can control all items of expense on the basis of their estimated contributions toward his gains. In making money, nothing but the pecuniary values of things however dissimilar need be considered, and pecuniary values can always be balanced, compared, and adjusted in an orderly and systematic fashion.

Not so with the housewife's values. A woman can indeed compare costs so long as they consist solely in the money prices she is charged for goods. But she cannot make a precise comparison between the price of a ready-to-wear frock, and the price of the materials plus her own work in making. Still less can she compare costs and gains. For her gains are not reducible to dollars, as are the profits of a business enterprise, but consist in the bodily and mental well-being of her family. For lack of a satisfactory common denominator, she cannot even make objectively valid com-

parisons between the various gratifications which she may secure for ten dollars—attention to a child's teeth, a birthday present for her husband, two days at a sanatorium for herself. Only in the crudest way can subjective experiences of different orders occurring to different individuals be set against each other. Opinions regarding their relative importance change with the mood and flicker with the focus of attention. Decisions made one hour are often cause of regret the next. In fine, spending money cannot conceivably be reduced to such system as making money until someone invents a common denominator for money costs, and for all the different kinds and degrees of subjective gratifications which money can procure for people of unlike temperaments. Such household accounts as are kept doubtless have their value; but the most painstaking efforts to show the disposition of every cent spent still leave unanswered the vital question of what has been gained.

And what does the housewife seek to gain? The business man in quest of profits can answer such a question for himself in terms distinctly definite. To make money becomes an end in itself; to spend money involves some end beyond the spending. When the housewife pursues her problem to this final query she comes upon the most baffling of her difficulties. Doubtless she can tell herself that she seeks the happiness of her husband and herself, the fair development of their children. But before these vague statements can serve as guides in the intensely practical problem of spending money, she must decide what happiness and development mean in concrete terms for her particular husband and children. Of course our housewives are seldom philosophers, and if they were they could not let the dishes go unwashed while they wrestled with the question of what is best worth while in life. Most women, indeed, do their work in an empirical spirit, so busied with obvious difficulties of detail that they are saved from seeing the deepest perplexities of their position. It is commonly the very young wife whose conscience is worried about the ultimate aims of her spending; and she is more likely as the years go by to stop thinking about this problem than to think it out.

In accounting for the defects of the art of spending, as that art is currently practiced, there is little need to lay stress upon

difficulties which are neglected by the great mass of practitioners. But there is one end which women assuredly do seek in spending, albeit unconsciously for the most part, which deserves attention because it is subversive of economical management.

Nassau Senior long ago pointed out the important role played by the desire for distinction in guiding conduct; and more recently Thorstein Veblen has developed the theme with much subtlety in his satirical *Theory of the Leisure Class*. We are all prone to draw invidious comparisons between ourselves and our neighbors. Such comparisons give us much edifying satisfaction when they can be twisted to our advantage, and produce a corresponding sense of discomfort when we cannot disguise our own inferiority. The subject matter of these invidious comparisons is drawn from the whole range of our experience, from appreciating Browning to catching trout, from observing the Sabbath to the weight of our babies. In the Money Economy of today, where so much of our attention is devoted to business, these comparisons turn with corresponding frequency upon our pecuniary standing. Money income is a crude, tangible criterion of worth which all of us can understand and apply. It needs a certain originality of character or a certain degree of culture to free us even in a measure from the prevailing concern with commercial standards. Most of us who are rich like to feel that the fact is known to all men; most of us who are poor strive to conceal the petty economies we are compelled to practice. Of course we see this unamiable trait of human nature more clearly in others than in ourselves; but in most of us that fact is but a subtle exercise of our inveterate habit of drawing biased comparisons between ourselves and others.

Now the simplest and most effective way of providing material for a soul-satisfying comparison with others on the basis of pecuniary competence is to show that we are better off by living in larger houses, wearing more stylish clothing, taking more leisure, and the like. Thus the Money Economy forms in us the habit of extravagant expenditure for the unacknowledged purpose of impressing both ourselves and our neighbors with an adequate sense of our standing. Of course, indiscriminate vulgarity in wasting money offends our taste. The ideal toward which we learn to strive is an ideal of refined elegance, such as is reputed to be the legitimate offspring of generations of wealth and leisure. But for working purposes, all classes of society exhibit the same species

of impulse in a vast number of variants. The gaudy ribbons of the shopgirl are close kin to the paste jewels which the heiress wears to show that she keeps genuine jewels locked up in her safe-deposit box.

In their task of spending money the mass of housewives come under the sway of this paradoxical impulse. Not for themselves alone, but also for the sake of their husbands and their children, must they make it appear that the family stands well in a world where worth is commonly interpreted as dollars' worth. An appearance of poverty in comparison with their associates may disturb the husband's complacency and may handicap the children's chances of forming pleasant and profitable associations. Worldly wisdom, therefore, counsels the housewife to make as brave a show as may be with the income at her disposal. She must buy not only gratifications for the appetites and the aesthetic senses, but also social consideration and the pleasant consciousness of possessing it. The cost of the latter is an air of disregarding cost.

If this analysis of the reasons why the art of spending money is in so backward a state be sound, it follows that homilies upon the ignorance, foolish extravagance, and lack of system among our housewives are a vain exercise, productive of slight effect beyond the temporary indignation they arouse. However edifying such preachments may be made, they cannot remove the limits which family life sets to a more effective organization of expenditure, they cannot increase our knowledge of physiology and psychology, they cannot give us a common denominator for costs and gains in living, they cannot define our aims with definiteness, and they cannot cure us of seeking social consideration by living beyond our means.

What prospect of improvement can be seen lies in the slow modification of the broad social conditions which make woman's work so difficult at present. Despite certain relaxations of the family bond, we are seemingly inclined to maintain the essential features of the family group, with its large measure of privacy. Nevertheless, we are re-organizing certain forms of family expenditure on the basis of larger groups. Some among these tentative efforts may survive initial blunders and increase mightily in the years to come. The apartment building with its steam

heat, janitor service, and common washtubs seems likely to increase in favor and perhaps will increase in the facilities it offers. The family hotel, which still seems to many of us the worst place for a family, may please a larger number of our children. Co-operative kitchens look promising on paper and may prove endurable in practice—particularly if wages of competent cooks continue to rise. Pure food laws, municipal certification of milk, and the like render easier the task of the housewife who is intelligent, though they doubtless disquiet her easy-going sisters by emphasizing dangers of which they had been but dimly conscious. Finally, our cities are providing with a larger liberality playgrounds, parks, library stations, day nurseries—a socialized spending of money with a neighborhood instead of a family as the unit. In spite of the fact that all these forms of arranging expenditure for larger groups may be so managed as to increase the cost and diminish the benefit, they at least represent promising experiments which may result in solid gains. For one thing they give men a larger share in organizing expenditures, and men bring to the task a trained capacity for coöperation and the development of system—qualities to which the greater size of the unit allows free scope.

With greater confidence we may rely upon progress in physiology and psychology to make wider and more secure the scientific foundations of housekeeping. But such progress will have little practical effect unless the results of research are made available to far larger circles. This work of popularizing scientific knowledge, however, promises to become increasingly effective. Most of the magazines for women have departments devoted to matters of technical interest to housewives—channels through which trebly diluted applications of science may trickle to thousands of untrained readers. The ever increasing number of women's clubs, with their ever increasing membership, are other promising centers for the dissemination of knowledge concerning scientific cooking, domestic hygiene, sanitation and the like. Probably of more importance will be the growing attention to "domestic science" in the schools, and the efforts of colleges and universities to meet the popular demand for adequate instruction in the matters of gravest import to future wives and mothers. At best, however, a small percentage of women can secure this more elaborate training. And the more we learn about the sciences in-

volved, the more prolonged, more difficult, and more expensive will such training become. Perhaps we may solve the problem by developing a professional class of Doctors of Domestic Science, who will be employed in organizing households, giving expert counsel to the newly wed, holding free dispensaries of advice for the indigent, assisting in divers municipal ventures in welfare work, and the like. Then the training of the mass of women may be confined to such an exhibit of the complexities and responsibilities of their work as will induce them to employ these elect as freely as they now employ physicians.

But even after many of the housewife's present cares have been reduced by the extension of business enterprise and municipal housekeeping, and after the housewife has received better training herself and can command the expert advice of a professional class, her task in spending money will still remain perplexing to one who takes it seriously. For the ultimate problem of what is worth while to strive for is not to be solved by sounder organization, by better training, or by the advance of science. Doubtless most women, like most men, will ever continue to accept uncritically the scale of conventional values which their day and generation provides ready-made. To such souls the only non-technical problems will be problems of reconciling minor inconsistencies, or striving to attain the more decorous standards of a higher social class. But to women of conscience and insight the ends of living will always be a part of the problem of spending money—the part which is most inspiring and most baffling. In this aspect the art of spending money differs from the technical pursuits of business and science, and is allied to philosophy and ethics. There is a scheme of values embodied in every housewife's work, whether she knows it or not, and this scheme affects for good or ill the health, the tastes, the character of those for whom she cares and those with whom she associates.

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